

the south suburbs of Chicago, the town of Joliet, Jose and Magdalena Castillo and their son, Eduardo, and their little daughter, Carolina. They are an example of a typical married couple in Illinois who suffer the marriage tax penalty.

In fact, for Jose and Magdalena, they are both construction workers. They are laborers, and they work hard for a living. For them, the marriage tax penalty is about \$1,400 each year. Thanks to this legislation, the jobs and economic growth package, 42 million married couples just like Jose and Magdalena Castillo will see their marriage tax penalty eliminated this year.

Think about it: \$1,700, that is chump change here in Washington, where people are coming up with all sorts of creative ways to spend billions and trillions of dollars over the next decade. But for married couples like Jose and Magdalena Castillo of Joliet, Illinois, \$1,400, in their case that is several months' worth of car payments, that is a couple months' worth of mortgage payments on their home, that is several months of day care for little Eduardo and Carolina, their children, while they are at work. It is real money for real people.

As everyone knows, in the Bush tax cut of 2001, we began the process of eliminating the marriage tax penalty. Unfortunately, under the Bush tax cut of 2001, for the marriage tax penalty for married couples like Jose and Magdalena Castillo, it was phased out over the decade, which meant the marriage tax penalty continued to be there. It just got a little smaller each year.

Clearly, one of the greatest accomplishments of the jobs and economic growth package is we eliminate the marriage tax penalty this year for married couples like Jose and Magdalena Castillo.

We do it two ways. For those who do not itemize their taxes, maybe they do not give a lot of money to their church or charity, or do not own a home so they do not have the home interest mortgage deduction, they benefit because we double the standard deduction for joint filers, married couples, to twice that of singles. So for those who do not itemize, we eliminate their marriage tax penalty.

For those who do itemize, married couples like Jose and Magdalena Castillo of Joliet, Illinois, who are homeowners, and of course give to their church and charity, they itemize their taxes, we eliminate the marriage tax penalty for them by widening the 15 percent tax bracket, which is the basic middle class tax bracket, so those who are among the married couples will be able to earn twice as much as a single person and stay in that 15 percent tax bracket.

The bottom line for Jose and Magdalena Castillo of Joliet, Illinois, is we eliminate their marriage tax penalty this year, clearly one of the greatest accomplishments of the jobs and

economic growth package that President Bush signed just this week.

So if we think about it, for 42 million married working couples, \$1,700 they will be able to have this year to spend at home to meet their own needs. In the case of Jose and Magdalena Castillo, for their children Eduardo and Carolina, that will be extra money for back to school; extra money for making some improvements to their house; maybe even take a family vacation, perhaps for the first time in their lives.

But the bottom line is, as we are working to get this economy moving again, by giving good working people like Jose and Magdalena Castillo what is really their money by eliminating an unfairness in the Tax Code this year, that is extra money that is going to be spent in Joliet, Illinois, in the district that I represent. Like 42 million other married working couples, that extra money they are going to spend in their home towns is going to help create jobs. When they go to the local store and they spend some money to improve their home or they make an improvement to their car or they do some home improvements, that creates jobs for their neighbors and their friends.

That is what this was all about. The most important thing we can be doing today is revitalizing this economy here at home; and by eliminating the marriage tax penalty this year, thanks to this Republican majority in the Congress and our good President down at the White House, President George W. Bush, we eliminate the marriage tax penalty this year for couples like Jose and Magdalena Castillo of Joliet, Illinois.

CHILD CREDIT

The SPEAKER pro tempore (Mr. CHOCOLA). Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

Mr. EMANUEL. Mr. Speaker, like my colleague from Illinois, I, too, have families that I represent. The gentleman spoke about a family who got a tax credit. I would like to talk about Renita Jackson-Keys, who works as a cook for the Chicago public schools. She earned \$14,144 in 2002, raising four children from the ages of 18, 15, 12, and 4, separated from her husband, but not divorced yet. She receives no child support.

If the child tax credit provision expansion had included families like hers, she would have received an increase of about \$182, but she was not a priority. Renita said she could have used a \$182 increase to help pay for her \$540 monthly mortgage.

In the final hour, the demand for a large dividend tax and more corporate welfare pushed away the child credit from low-income workers like Renita and her children.

Renita does not just work as a way to pass the time of her day while she waits for her dividend check; she works

because that is a value that we hold up in America. Her four children see her go to work every day. Work defines who we are as Americans.

I worked in a White House that doubled the size of the earned income tax credit, which was first passed by Ronald Reagan in 1986. In 1997, in the balanced budget amendment, we balanced the budget, cut taxes for working people and corporations and also in the capital gains area, we provided a \$50 per child tax credit, and provided 10 million children health care, whose parents worked full time and did not have health care.

We did it while balancing our budget, and we did it because those were our values, and they were the right values. They speak to who we are as Americans, trying to raise our children to know right from wrong, with the right set of values.

Now we have a tax cut that takes the value of respecting families, respecting hard work, and turns it upside down and inverts it. Somehow, nobody ever seems to complain about a corporation that does not pay taxes. Yet, all of a sudden, there are some who claim the reason we did not include these children of working parents is because they do not pay taxes. Nobody seems to complain when corporations do not pay taxes.

First of all, they do pay taxes. As a percentage of income, one of the largest pieces of their income is drawn from taxes for paying Social Security and Medicare. So they do pay taxes. They pay more taxes, in fact, than the corporations that are sitting in Bermuda pay.

There is a sense about this: we did not just come here to be a vote, we came here to be a voice for those values. We have turned those values backwards. What is it about those corporations and these wealthy individuals that they somehow got more protection than these children of working parents?

President Kennedy said, to govern is to choose. I think people the other week we were here made the wrong choice. Now Republicans are saying they did not know what was in the bill, that the child credit does not help working Americans. The Vice President was in the room. He has been talked about as the enforcer, about the man who was actually in the room, va-boom, va-boom. Corporations got taken care of, but a boom landed on the heads of our children. Somehow SUVs got covered for a tax credit.

We have a depreciation deduction for investments in equipment and facilities. Yet through that depreciation, we have not found the time to appreciate our children. These 12 million children are Americans, too. Their parents, their mother or their father or both, are hardworking. They deserve the same type of respect that we have given to offshore companies, the same type of respect and appreciation we

have given to equipment and machinery, because they, too, represent our future.

I did not support this last tax cut, and I did not support the tax cut of 2001. I have supported tax cuts in 1993 and 1997 when we balanced the budget. We did not make it an either/or choice.

We can do right by our children; and in fact, when we balanced the budget, cut taxes for working families and middle-class families, and helped them go to college and pay for college, and gave health care to the uninsured children of working parents, we saw a decrease in our rolls of poverty. We saw a decrease in our welfare rolls.

Those are our values that have been enshrined in this country. When we speak to those common set of values that define who we are, we can do right by this country, right by our children, and have those parents dream the American Dream for their children. We should not turn our backs.

What happened here the other day is a shame. People now are pointing fingers. Rather than having pointed fingers, if they had the common decency to think of the children of America, of American families who also, like other families who will get that tax credit, these children deserve the tax credit. They deserve to be held up with the same type of respect that we have held up for corporations that needed to deduct for SUVs, corporations like Enron that needed to be taken care of, corporations that went overseas or deducted for their SUVs.

These children deserve our care and protection. We have not provided them the health care. In fact, we withdrew the money from the States to provide health care for the children of working parents. We do not have a health care plan for the 45 million uninsured. We do not have an agenda for the \$300 billion in unfunded assets.

We have a higher education tax credit that will expire in 2005, just at a time college costs are going up at 10 percent annually. We have inflation in health care rising by 20 percent. Yet all we did was provide corporations a way to depreciate their interest or other forms of tax cuts, but we left 12 million children of working parents out.

Those are not the values that my mother raised us to have, and those are not the values that hold us together as Americans. We can do better. We need to do better. We can put our children first and leave not one of them behind. When it comes to compassion, more than millionaires need compassion; our children need our compassion.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SIMMONS) is recognized for 5 minutes.

(Mr. SIMMONS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

REPUBLICANS' BID TO PRIVATIZE MEDICARE WILL DEGRADE IT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, Members may have read in this morning's Roll Call about the personal videotape President Bush sent urging Republicans to seize the moment and overhaul Medicare. Even though privatization will increase costs and degrade the quality of coverage that seniors receive, the President unapologetically is promoting Medicare privatization.

Medicare is enduringly popular with most Americans, including Main Street Republicans; but Medicare is a thorn in the side of conservative extremists. They call it Big Government.

For the majority of Americans who value Medicare, the problem is that those same extremists are now in power. They are using tactics familiar to anyone who has followed the history of another public program, Federal Rail Service. For years, conservative ideologues in office have underfunded Amtrak, the passenger rail system. As train service declines, conservatives insist that Amtrak deserves less funding. Even though every nation in the world subsidizes its public transportation, Congress inadequately invests in and dutifully undermines our national rail system.

In their unrelenting 20-year-old effort to privatize Medicare, begun during the salad days of the Reagan administration, the far right has honed the Amtrak strategy to a science: underfund Medicare; make it more inflexible and bureaucratic; cut basic consumer service functions; lure, then coerce, seniors into private insurance; set this popular program up for failure; then blame any failures on the fact that it is a public program.

When Medicare was enacted in 1965, only 22 Republicans in the House and Senate supported it. Bob Dole, Republican Congressman, voted against it. Donald Rumsfeld, a Republican Congressman, voted against creating Medicare. Gerald Ford, a Republican Congressman then, voted against creating Medicare. Senator Strom Thurman, a Republican Senator then, voted against creating Medicare.

Then in 1995, when the GOP majority had its first chance to reform Medicare, Speaker Gingrich, predicting that Medicare would wither on the vine, attempted to cut \$270 billion from Medicare to make room, get this, for several hundred billion dollars of tax cuts. Sound familiar?

Then came Mediscare. This GOP campaign, launched in the late 1990s, aimed to convince Americans that Medicare is going broke and the only way to save Medicare is to turn it over to private investors. Medicare, they call it Mediscare, Medicare is no more at risk of going broke than is the Defense Department. They are both funded with public dollars.

Forcing Medicare beneficiaries into private insurance plans will not reduce Federal outlays. Per capita spending on Medicare is lower than that on private health insurance, and has been lower than the supposed "efficient" private health service for 30 years. But the push to privatize Medicare has never been grounded in facts; it is an ideological campaign, pure and simple.

Republican leadership simply does not like Medicare. The idea of luring seniors into private health plans grew out of the Medicare+Choice experiment. The +Choice debacle started out innocently enough. The theory was HMOs could operate much more efficiently than traditional Medicare, so they could provide both basic and enhanced benefits for less than the traditional Medicare plan.

It did not work out that way. By selectively enrolling the healthiest seniors, HMOs earned a windfall on the taxpayers' dime. Eventually, that windfall was outstripped by the cost of providing extra benefits. HMOs turned around and asked Congress for more money. The Republican Congress then poured more money into these private managed-care plans, which never covered more than one-sixth of the population, leaving less for the 86 percent of seniors who are enrolled in traditional Medicare.

In other words, Republicans invest more in seniors who agree to join private plans than in six-sevenths of the people in the Medicare plan who stay in traditional Medicare.

President Bush has embraced the Amtrak strategy with even more abandon than his predecessors. Get this: he has proposed establishing a new Medicare prescription drug benefit, but only for seniors who agree to leave traditional Medicare and join private HMO insurance programs. While promoting additional dollars for HMOs, President Bush has taken steps to cut Medicare's already-meager operating funds, to curtail its consumer service functions, and to restrict coverage for medical breakthroughs.

Then Republican leaders in this and the other body dutifully berate Medicare for being inefficient, for being unresponsive, and for being too slow to adapt to 21st century medicine. The Republicans should be ashamed. Medicare has withstood a 30-year Republican effort to dismantle it, but this President is pulling out all the stops. He is preaching Medicare insolvency, he is engaging in Mediscare tactics, he is selling private plans, he is undercutting traditional Medicare, and he is managing traditional Medicare into the ground.

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Before the Bush administration privatization train leaves the station, American seniors and those who care about them need to blow the whistle.

The SPEAKER pro tempore (Mr. CHOCOLA). Under a previous order of the House, the gentleman from Oregon